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Washington's Unemployment Rate is Back Up to Last Year's Level

OLYMPIA – Washington's seasonally adjusted unemployment rate rose two-tenths of a percentage point to 7.3 percent in April, Employment Security Commissioner Sylvia P. Mundy announced today. The nation's seasonally adjusted unemployment rate also rose two-tenths of a percentage point to 6.0 percent. Washington's non-adjusted unemployment rate declined one-tenth of a percentage point to 7.3 percent.

"The increase in the national and state unemployment rates is not unexpected," said Mundy. "Most economists predict that the unemployment rate will peak later this year before coming down. Economic indicators are still very mixed and businesses remain hesitant to undertake new investment or to hire new workers."

Washington's nonagricultural wage and salary employment increased by 13,400 in April—an increase of 0.5 percent. Most of the over-the-month growth occurred in normal seasonal industries. The largest gainers were construction (+4,400), manufacturing (+1,200), retail trade (+1,200), financial activities (+500), professional and business services (+1,000), education and health services (+700), and leisure and hospitality (+4,800). Particular areas of strength were in heavy construction and specialty trade contractors, credit intermediation, social assistance, and food and drinking places.

Small over-the-month declines occurred in wholesale trade (-200), transportation, warehousing, and utilities (-200), information (-300), and government (-300). A decline in state government of 1,200 was offset by an increase in local government employment of the same amount. Federal employment accounted for the net loss of 300 government jobs over the month. Other areas of weakness were aerospace, water transportation, support activities for transportation, warehousing and storage, and educational services.

Washington's year-over-year change in nonagricultural employment was up 6,200 from April 2002. The sectors down significantly since April 2002 were manufacturing (-17,700) retail trade (-3,200), transportation, warehousing, and utilities (-800), and information (-500), while those sectors that have gained the most jobs were construction (+3,100), wholesale trade (+1,000), financial activities (+3,300), professional and business services (+2,600), education and health services (+7,500), and government (+9,800). From last year, the classic outlines of the recession are still apparent with manufacturing, retail trade, accommodation, and high tech industries all down.

Some industries have remained strong throughout the downturn such as financial services and educational and health services. Other areas are just beginning to pick up over last year's numbers such as construction and professional and business services. The increase in government was accounted by increases at the federal (+2,100) and local (+7,900) levels, a third of which was accounted for by increases in local education. State government fell by 200 totally accounted for by a fall in state education employment.